

# Legislative Fiscal Bureau

## Fiscal Note

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SF 2233 – Fair Motor Fuel Marketing Act (LSB 5538 XS)

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Fiscal Note Version – New

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### **Description**

Senate File 2233 relates to the marketing of motor fuel and provides for penalties. The proposed legislation prohibits the sale of motor fuel by refiners, wholesalers, and retailers that are below cost unless the offer to sell meets specified exceptions. The Bill also provides restrictions regarding who will operate a motor fuel outlet.

### **Assumptions**

1. The Department of Agriculture and Land Stewardship (DALs) would be required to audit motor fuel outlets to verify they are in compliance with the Iowa Fair Motor Fuel Marketing Act.
2. The Department of Agriculture and Land Stewardship would require 4.0 FTE auditor positions at approximately \$65,000 each and 1.0 FTE clerk specialist position at \$30,000 to conduct the audits.
3. Computers would be purchased for each new staff member, and travel would be required.
4. A person in violation of the Act would have the option to protest the violation upon a hearing with DALs.

### **Fiscal Impact**

The fiscal impact of SF 2233 would result in increased General Fund expenditures to the Department of Agriculture and Land Stewardship (DALs) as follows:

	<u>FY 2003</u>	<u>FY 2004</u>
DALS Salary/Benefits	\$290,000	\$290,000
Equipment	15,000	0
Travel	15,000	15,000
Hearings	5,000	5,000
Total General Fund Expenditures	<u>\$325,000</u>	<u>\$310,000</u>

### **Source**

The Department of Agriculture and Land Stewardship

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/s/ Dennis C Prouty

March 11, 2002

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The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Legislative Fiscal Bureau to members of the Legislature upon request.

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